



9111-14

**DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection**

19 CFR Part 111

USCBP-2010-0038

RIN 1651-AA80

Permissible Sharing of Client Records by Customs Brokers

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Withdrawal of notice of proposed rulemaking.

SUMMARY: This document withdraws a notice of proposed rulemaking, published in the **Federal Register** on October 27, 2010, that proposed amendments to the Customs and Border Protection (CBP) regulations that would allow brokers, upon the client's consent in a written authorization, to share client information with affiliated entities related to the broker so that these entities may offer non-customs business services to the broker's clients. Although the proposed rule was prepared in response to a request from a member of the broker community seeking to allow brokers to share clients' information for marketing purposes, there was opposition to the proposal from brokers due to the condition on sharing the information that CBP included in the document to protect importers' proprietary information. The notice is being withdrawn to permit further consideration of the relevant issues involved in the proposed rulemaking.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], the proposed rule published October 27, 2010, (75 FR 66050), is withdrawn.

FOR FURTHER INFORMATION CONTACT: Anita Harris, Chief, Broker

Compliance Branch, Trade Policy and Programs, Office of International Trade, (202) 863-6069.

SUPPLEMENTARY INFORMATION:**Background**

On October 27, 2010, Customs and Border Protection (CBP) published a notice of proposed rulemaking in the **Federal Register** (75 FR 66050) pertaining to the obligations of customs brokers to keep clients' information confidential. The proposed amendment would allow brokers, upon the client's written consent, to share client information with affiliated entities related to the broker so that these entities may offer non-customs business services to the broker's clients. The proposed amendment would also allow customs brokers to use a third-party to perform photocopying, scanning, and delivery of client records for the broker. These proposed changes were intended to update the regulations to reflect modern business practices, while protecting the confidentiality of client (importer) information. The comment period ended on December 27, 2010.

CBP received public comment on the proposed rulemaking. The majority of commenters expressed concern that the proposed rule did not serve the interests of the importing public. Specifically, there was opposition to the proposal from brokers due to the condition on sharing the information that CBP included in the document to protect importers' proprietary information.

Withdrawal of Notice of Proposed Rulemaking

CBP is withdrawing the notice published in the **Federal Register** (75 FR 66050) on October 27, 2010, pending further consideration of the relevant issues involved in the proposed rulemaking.

Dated: March 21, 2012

David V. Aguilar
Acting Commissioner
U.S. Customs and Border Protection

[FR Doc. 2012-7223 Filed 03/23/2012 at 8:45 am; Publication Date:
03/26/2012]